Testimony of

The Honorable Charles W. Stenholm Senior Policy Advisor Olsson, Frank and Weeda, P.C.

Hearing on H.R. 503

Committee on Agriculture U.S. House of Representatives July 27, 2006

The U.S. horse industry is of major significance to the economy contributing over \$40 billion to the GDP. It not only is big business but also provides enormous pleasure for millions of adults and children alike. Through 4H, FFA, and numerous breed horse councils, children are taught how to care for their animals. In fact it is the rare exception when animals are mistreated. But it, unfortunately, does happen. Horses that go to processing plants are protected by law as no other species are. There is no incentive for the plants to mistreat the horse because it costs money.

Banning horse slaughter is very appealing to some as is banning the slaughter of beef, hogs, sheep, chickens, fish -- anything alive. But if you eat meat, something has to die. From the Bible to modern custom, the majority have eaten meat. Some ethnic and religious groups have different customs, and we are taught to respect different views. In our country, the overwhelming majority approve of eating meat.

In the U.S., there are some aspects of meat consumption for which there is overwhelming agreement. The animals that give up their lives for our sustenance should be humanely treated until and when they are euthanized before processing.

There are two accepted methods of euthanasia for horses:

- 1. Overdose of a barbiturate, or
- 2. Gunshot or penetrating captive bolt.

Now we proceed to another area of some differences of opinion. What should happen to a horse after it has been killed/euthanized? Should it be buried, rendered, or consumed. Here we come to a fundamental, constitutionally protected right. Owners of horses are protected under the Constitution as to the disposal of their property. If you wish to receive value for your horse you may choose processing. If you wish to assume the cost of burying or rendering that is your right. But then there is another option touted by some -- rescue/adoption/retirement. That, too, is your right. For a few horse owners, this is a good option. But for most it is not because of cost. Currently the taxpayer cost of maintaining our wild horse surplus population is \$39 million per year on 28,000 head to which we are adding 2,000 to 4,000 per year. Who will assume the cost of adoption for another 60,000 to 90,000 unwanted horses per year? If H.R. 503 should become law, the 109th Congress will assume that responsibility. Do the math. The cost to the taxpayer will quickly reach hundreds of millions of dollars per year and increase every year thereafter – even if we are able to adopt some of them out.

We live under the general concept of majority rule with strong minority protections. I think we are getting on very thin ice when we begin to tell other people of the world what they should eat. The world consumes over 4.7 million horses per year.

Some countries do not eat beef. Some do not eat pork. This is commonly called freedom of choice. In some cases, freedom of religion is more relevant. When we, by law, tell others what they may eat, we have to ask, are we next?

Now let's look at the tenor of the debate. Proponents of H.R. 503 continue to mislead the general public about how horses are processed. Having visited two of our three plants let me say unequivocally horses do not arrive in poor condition. They are inspected by USDA veterinarians for soundness and signs of mistreatment. They are housed in covered receiving areas with feed and water. They move quietly down a narrow chute where they are euthanized. They are dead instantly by penetrating bolt. Having toured many processing plants, I can honestly and sincerely state our horse plants do as good a job as humanly possible in following not only the letter but the spirit of the law.

Horse processing is an integral part of the horse industry. Processing sets the floor price for the value of a horse. A floor price is of major importance to middle income horse owners, and small businesses, but obviously of lesser importance to upper income horse owners. The value of the horse in processing is very important to middle income horse owners. The cost of euthanasia and disposal \$200 to \$2,000 is no small

matter. Taking your horse to an auction market where you will receive the benefit of competitive bidding for maximum value of your horse is an option that must be protected.

Let's examine some of the suggested solutions to unwanted horses by proponents of HR 503.

Rescue Facilities. Current capacity 6,000. Full estimated cost of operation \$1,800/year per horse. Annual cost \$10,800,000. Add to this the cost of the BLM wild horses of 28,000 @ \$1,800/yr = \$50 million plus, which taxpayers are already paying.

Add 90,000 @ \$1,800 = \$162,200,000 the first year, 5 year estimated cost over \$800 million.

Who pays! The taxpayer? Private funds? Even the HSUS budget will not cover this cost and they have not offered.

One suggestion offered by the proponents is for Federal controls on horse breeders, limiting the number of horses that can be bred or shifting the cost to the owner. The question to be asked is what if no one is willing to pay the cost. 90,000 unwanted horses become an unfounded mandate on local governments and local law enforcement. It will be the height of irresponsibility to vote for H.R. 503 without addressing these questions.

While this can be interpreted as a perfectly sound free enterprise solution, it is valid only if you continue the option of processing for those same owners. Owners of horses who do not oppose processing, which evidence shows to be the overwhelming majority, do not object to any horse owner who wishes to care for their horse throughout its life, disposing of it in anyway they see fit humanely.

Private property rights are important to most Americans. No horse should go to processing over the owner's objection. But if a horse owner does not object to processing, why deny him/her that right. I submit that all 300 million Americans have a right to ask for humane treatment for all animals including horses, but we do not have the right to fundamentally change an industry because of the views of a few. And we most assuredly do not have the right to abolish an industry with no compensation for the taking, which most assuredly includes the value of all horses, the value of which will decline if the processing floor price option is removed by passing H.R. 503.

Proponents of H.R. 503 make an issue of foreign owners. When you have a Toyota plant in your State or district, do you object to the jobs it brings? If not, isn't that the height of hypocrisy?

Proponents of H.R. 503 make an issue that our horses go for foreign consumption. The U.S. is about to become a net food importer. Our horse industry will provide a net trade surplus this year in excess of \$50 million. The world will consume 4.7 million horses this year. In America we choose what we want to eat. So does the rest of the

world. I see nothing wrong with that. We seem to get in trouble every time we try to impose our wishes on someone else -- which is exactly what proponents of H.R. 503 are doing.

Regarding the charge that horse owners who sell at auction do not know that their horse may go to processing. Simply put -- when you sell anything you give up title to that property. If you do not wish your horse to be processed into meat for human consumption, do not sell it. Our livestock auctions do a great job of providing sellers the opportunity to receive maximum value from competitive buyers. Horses of value beyond processing bring much more money than those who go to slaughter. But the floor is set by processed market. Everyone in the horse business knows that. That is why the overwhelming majority oppose H.R. 503.

In conclusion, let me restate the obvious. H.R. 503 is the most important vote you will cast pertaining to the livestock industry and agriculture in general. It has broad ramifications for the 07 Farm Bill. If it should pass, the budget implications are tremendous -- over \$1 billion a year over the next 5 years. Or, if you say the taxpayers are under no obligation to pay for someone else's property, then how do you rationalize taking away the private property rights of the majority of horse owners who do not object to their horse going for human consumption for value? Let state as plainly as I know how. Proponents of H.R. 503 have used inflammatory, untrue rhetoric about how horses are slaughtered. To the uninformed public, they have been successful -- including many in the media.

Let me be clear. If you are a horse owner and you do not wish for your horse to be processed for human consumption, I am for protecting you and your horse from processing for human consumption. But if you are a horse owner and do not object to your horse being processed for human consumption, I am for you. It is called private property rights. If you are not a horse owner, I support your right to call for the humane treatment of horses in the ownership, raising, transporting, and processing that is carried out under the supervision of USDA.

Defeat H.R. 503.